strengthening. The Task Force made wide ranging recommendations which have been examined by the Government in consultation with State Governments and deliberated upon in a conference of Chief Ministers of States. It was decided in the above Conference to constitute a Joint Committee of the Cooperation Ministers of select States under the chairmanship of Union Minister of State for Finance. This Committee has since submitted its report on the required reform and for improving the net worth of these institutions which is now under consideration of the Government.

Economic Growth

*7. SHRI SOLIPETA RAMACHANDRA REDDY:
SHRI RUMANDLA RAMACHANDRAIAH:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Economy grew by just 4 per cent last year" which appeared in the Times of India dated the 1st February, 2002;

(b) if so, the details thereof;

(c) whether it is a fact that Government declared 5.2 per cent growth of economy during 2000-2001 and 6.4 per cent during 1999-2000;

(d) if so, in what manner it has now been declared only 4 per cent growth and how far agricultural and other products were affected during the period; and

(e) the steps being taken by Government to improve the economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) The said news-item appearing in the Times of India dated February 1, 2002 states that as per Quick Estimates (QE) released by the Central Statistical Organisation (CSO), growth rate of the Indian economy plummeted to a meagre 4 per cent in 2000-2001 from the previous years 6.1 per cent. Further CSO estimated in June last year that the economy had grown by 5.2. per cent in 2000-2001 as against 6.4 per cent in 1999-2000. The revision of the growth rate is mainly

attributed to a 0.4 per cent decline in agriculture output and 2.2 per cent fall in the banking and insurance sector. The negative growth in agriculture was mainly on account of decline in production of rice, wheat, pulses, oilseeds and cotton. The manufacturing sector grew by a modest 6.7 per cent, construction by 6.8 per cent, communication by 15 per cent, real estate and business services by 9 per cent and other services grew by 7.4 per cent. The negative growth of 21.2 per cent in banking and insurance sector was mainly because of decline in the output of the non-banking financial institutions.

(c) As per the Revised Estimates of National Income for 2000-2001 released by the CSO on June 29,2001 the growth in the gross domestic product (GDP) at factor cost (1993-94 prices) was estimated at 6.4 per cent and 5.2 per cent for 1999-2000 and 2000-2001 respectively. The same has now been estimated at 6.1 per cent and 4 per cent for 1999-2000 and 2000-2001 respectively as per the QE of National Income for 2000-2001 released by the CSO on January 31, 2002.

(d) This change in the GDP growth estimate for 2000-2001 has been necessitated due to downward revision in the production data for foodgrains from 199 million tonnes reported in January, 2001 to 196 million tonnes as of now and fall in the output of non-banking financial institutions. The downward revision in agriculture also led to the cascading effect in terms of lower growth in the sectors trade, hotels etc.

(e) With a view to promoting growth, the broad strategy has been enunciated in the Budget speech 2001-2002. The Budget for 2001-2002 has also provided enhanced central plan outlays for key infrastructure sectors. Also increased emphasis has been placed on accelerating capital investment expenditure. Besides, measures have been taken to stimulate domestic demand. These among other include reduction in interest rates on contractual savings, tax cuts through abolition of surcharge payable by corporates and non-corporates, further scaling down of peak customs tariff, major simplification in the excise duty regime etc. Further Reserve Ratio of India on the basis of a review of macro- economic and monetary developments reduced the bank rate of 6.5 per cent and also

affected reduction and rationalisation in the Cash Reserve Ratio for the banking system. These specific measures to stimulate demand in the backdrop of Budget strategy are expected to have a favourable impact on growth.

Anti-Dumping Cases

*8. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have initiated anti-dumping cases against several foreign companies during 2001;

(b) if so, the details thereof;

(c) whether Government have since taken any steps to check such dumping in the country which has largely affected the indigenous industries/companies; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY):(a) and (b) Yes, sir.During the year 2001, Government has initiated 33 Anti Dumping cases. The products investigated fall in the category of Chemicals and Petrochemicals, Pharmaceuticals, Steel and Consumer goods involving exporters mainly from China, Singapore, European Union, Taiwan, USA, Korea, Brazil, Japan, Russia and Thailand.

(c) and (d) Government has taken effective steps to check such dumping, concerning the above cases, in the following manner:—

(i) Definitive duties have been recommended in five cases of which, in two cases duties have already been imposed.

(ii) Provisional duties have been recommended in 25 cases of which, in 18 cases duties have already been imposed.

(iii) Of the remaining cases, one is under investigation for preliminary findings and two have been terminated on account of withdrawal of petition by the domestic industry.